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Sasaiai Communicadons Commission Office of Secretary



1300 I Street, NW Suite 400 West Washington, DC 20005 (202)515-2534 (202) 336-7922 (fax)

October 23.2002

Richard T. Ellis

Ms. Marlene H. Donch, Secretary Federal Communications Commission Office of the Secretary 445 12th Street S.W. Washington, D.C. 20554

Director - Federal Regulatory Advocacy

Re: Request for Limited Modification of LATA Boundaries to Provide ELCS Between:

Verizon Vireinia Inc.'s Havsi and Verizon South Inc.'s Richlands Exchanges Verizon South Inc.'s Jewell Ridee and Verizon Virginia Inc.'s Davenport Exchanges Verizon South Inc.'s Jewell Ridee and Verizon Virginia Inc.'s Honaker Exchanges Verizon South Inc.'s Jewell Ridge and Verizon Vireinia Inc.'s Lebanon Exchanees

CC Docket No. 96-IS9

Dear Ms. Dortch:

Verizon Virginia Inc. and Verizon South Inc. hereby submit this request for a LATA boundary modification to provide Expanded Local Calling Service (ELCS) between the above-mentioned exchanges.

In its order released July 15, 1997 ("Order"), the Federal Communications Commission established an ongoing process for requesting LATA boundary modifications to provide ELCS. This request is tiled pursuant to the provisions contained in that order. Attached please find the support documentation required by the Commission to approve the requested modification.

Should you have any questions regarding this material, please do not hesitate to contact me

Sincerely.

Attachments

cc: Dennis Johnson

Richard Belli

1 "In the Matter of Petitions Tor Limited Modification of LATA Boundaries to Provide Expanded Local Calling Service (ELCS) at Various Locations", CC Docket No. 96-159, released July 15, 1997.

Request for Limited Modification of LATA Boundaries to Provide ELCS Between Verizon Virginia Inc.'s Havsi and Verizon South Inc.'s Richlands Rate Exchanges

(1) Type of Service

Traditional Local Service, Non Optional ELCS

(2) Direction of Service

Two-way

(3) Exchanges Involved

ELCS between Verizon Virginia Inc.'s Haysi exchange located in **the** Roanoke, Virginia LATA **and** Verizon South Inc.'s Richlands exchange located in the Bluefield, West Virginia Independent Market Area.

(4) Name of Carriers

Haysi • Verizon Virginia Inc. Richlands • Verizon South Inc.

(5) State Commission Approval

The Virginia State Corporation Commission issued a Final Order on August 2, 2002 approving ELCS for this route. A copy of the Final Order is attached.

(6) Number of Network Access Lines

Haysi Exchange – 1,603 Richlands Exchange – 11, 140

(7) Usage Data

Messages per main station per month

Haysi to Richlands - 2.37

Richlands to Haysi • 0.19

Percent of subscribers making calls

Haysi to Richlands - Data not available

Richlands to Haysi - Data not available

(8) Poll Results

Haysi to Richlands

Fifty-eight percent of those responding voted for ELCS

Richlands to Havsi

Richlands customers received public notice by newspaper display advertisement.

No comments or requests for public hearing were received.

(8) Poll Results (Continued)

ELCS R	ate Increase - Haysi	
Resid	lential	
	Flat Rate	\$ 2.52
	Message Rate	\$ 0.24
	Measured Rate	\$ 0.15
	Economy Rate	\$ 0.00
	Exchange Only Rate	\$ 1.16
Busine	ess	
	Flat Rate Line	\$14.51
	Message Rate Line	(\$ 1.00)
	Measured Rate Line	(\$ 0.50)
	Flat PBX Trunk	\$26. I4
	Message PBX Trunk	(\$ 1.00)
	Measured PBX Trunk	(\$ 0.50)
ELCS R	ate Increase - Richlands	
Resid	ential	
	Flat Rate	\$0.02
	Lifeline Service	\$0.02
	Exchange Only Service	\$0.01
Economy Measured		\$0.01
Busin	ness	
	Flat Rate	\$0.03
	Flat Key Line Service	\$0.03
	Flat Rate Trunk	\$0.03
	Measured Single Line	\$0.01
	Measured Key Line	\$0.01
	Measured Trunk	\$0.01

(9) Community of Interest Statement

The Haysi exchange is located in southwest Virginia in Dickenson County and is in the Roanoke, Virginia LATA. The Haysi exchange serves approximately 1600 customers. The Richlands exchange is located in Tazewell County to the east of Haysi. Richlands is in the Bluefield, West Virginia Independent Market Area. Richlands serves approximately 1 1,100 customers. Community of interest is primarily from Haysi to Richlands. Interest is primarily medical, educational, commercial, and transportation. The Haysi exchange offers basic medical facilities such as the Haysi Clinic and the Haysi Drug Center. More specialized medical care is available at the Clinch Valley Regional Medical Center which includes emergency care, surgery, coronary care, pre-natal and obstetrical care. Nursing home facilities are also available in Richlands. Educational facilities are available to the area, including Haysi, from Southwest Virginia Community College located in the Richlands exchange. Richlands serves as a retail/commercial/professional center for the area. Available in Richlands are one of two county shopping centers, several major department stores, professional services such as lawyers and accountants, car dealerships and numerous banks. Commercial air transportation is available from the Tazewell County Airport located in the Richlands exchange. In summary, ELCS will allow Havsi customers expanded local communications to their nearest commercial, specialty medical, and educational center.

(10) Maps are attached for the Haysi, Davenport, Honaker and Richlands exchanges.

(11) Other Pertinent Information

Chronology

On October 20, 2000, Verizon Virginia Inc.'s Haysi exchange subscribers petitioned **the** Virginia State Corporation Commission for Expanded Local Calling Service (ELCS) to Verizon South Inc.'s Richlands exchange. The Commission directed Verizon Virginia to determine the change in monthly rates to provide ELCS from Haysi to Richlands. Verizon Virginia surveyed all of its Haysi subscribers regarding their willingness to pay the additional rates as outlined in (8) above. Fifty-eight percent of the subscribers responding voted favorably.

Chronology (Continued)

The Commission then directed Verizon South to determine rates for ELCS calling from Richlands to Honaker. The Richlands to Honaker cost study was accepted by the Commission. On April 19, 2002, the Commission issued an Order Prescribing Notice for the Richlands exchange. Public notice was provided to Richlands customers via newspaper display advertisement. The customer comment period was May 10,2002 through June 10, 2002. No comments or requests for public hearing were received from Richlands customers.

Both surveys and **their** results met the requirements for implementation as outlined in Section 56-484.2 of **the** Virginia State Code.

On August 2, 2002, the Virginia State Corporation Commission issued a Final Order approving Expanded Local Calling Service between Haysi and Richlands.

Virginia State Code. Section 56-484.2

This section of the Virginia State Code allows customers to petition the State Corporation Commission for ELCS. A copy of **this** section is attached.

Attachments

Virginia State Corporation Commission Final Order in Case No. PUC-2001-00202

Virginia State Corporation Commission Division of Communications **Staff Report** of Larry Kubrock dated June 14.2002

Maps of the Haysi, Davenport, Honaker and Richlands rate exchanges

Virginia LATA map

Virginia State Code, Section 56-484.2

COMMONWEALTHOF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHHOND, AUGUST 2, 2002

PETITIOE OF

VERIZON VIRGINIA INC.

CASE NO. PUC-2001-00202

For Extended Local Service from Verizon Virginia Inc.'s Haysi Exchange to its Cante, Honaker, and Lebanon exchanges and to Verizon South Inc.'s Richlands and Big Prater exchanges

FINAL ORDER

In October 2000, telephone customers in Verizon Virginia
Inc.'s ("Verizon Virginia") Haysi Exchange petitioned the State
Corporation Commission ("Commission") for local calling to the
Dante, Honaker, and Lebanon exchanges of Verizon Virginia and
the Richlands and Big Prater exchanges of Verizon South Inc.

("Verizon South"). On August 16, 2001, the Cornmission received
a cost study from Verizon Virginia for the Haysi Exchange that
was used to estimate the approximate change in the monthly rate
for service that will result from the requested extension of
local service.

Pursuant to the Commission's Order Directing Poll, issued December 5, 2001, Verizon Virginia polled its customers in the

¹ Extended reciprocal calling between the Haysi Exchange and the contiguous exchange of Big Prater was approved in Phase Five of the expanded local calling between contiguous exchanges in Case No. PUC-2000-00204. Therefore, reciprocal calling between these two exchanges will not be addressed in this case.

Haysi Exchange regarding their willingness to pay higher rates for local calling to the Dante, Honaker, and Lebanon exchanges of Verizon Virginia and to the Richlands Exchange of Verizon South ("ELS proposal"). The results satisfied the polling requirements of § 56-484.2 of the Code of Virginia.

The Commission issued an Order Prescribing Notice of the ELS proposal for the Dante, Honaker, Lebanon, and Richlands exchanges on April 19, 2002, and on May 17, 2002, Verizon Virginia filed proof of notice as required. No comments or requests for hearing were filed. A poll of these customers was not required because the proposed rate increase for one-party residential customers resulting from the ELS proposal did not exceed five percent of the existing one-party monthly residential flat rate.

On June 14, 2002, the Staff Report of Larry J. Kubrock was filed, which recommended approval of the ELS proposal.

Accordingly, IT IS ORDERED THAT:

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- (1) The proposed extension of local service between Verizon Virginia's Haysi Exchange and its Dante, Honaker, Lebanon exchanges, and Verizon South's Richlands Exchange shall be implemented.
- (2) Verizon Virginia shall file the tariff revisions necessary for the proposed extension of local service.

(3) There being nothing further to come before the Commission, this case is closed.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: Lydia R. Pulley, Vice President and General Counsel, Verizon Virginia Inc., 600 East Main Street, 11th Floor, Richmond, Virginia 23219; C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, 900 East Main Street, Second Floor, Richmond, Virginia 23219; Mrs. Hackey, HCR-01 Box 950, Birchleaf, Virginia 24220; and the Commission's Office of General Counsel and Division of Communications.

True Copy إمِ True Taste:

Clerk of the State Comporation Commission

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION DIVISION OF COMMUNICATIONS

STAFF REPORT OF LARRY J. KUBROCK

PUC-2001-00202

PETITION OF CUSTOMERS OF VERIZON VIRGINIA INC.'S HAYSI EXCHANGE FOR EXTENDED LOCAL SERVICE TO ITS VERIZON VIRGINIA INC.'S DANTE, HONAKER, AND LEBANON EXCHANGES AND TO VERIZON SOUTH INC.'S RICHLANDS EXCHANGE

June 14,2002

PETITION OF CUSTOMERS OF VERIZON VIRGINIA INC.'S HAYSI EXCHANGE FOR EXTENDED LOCAL SERVICE TO ITS VERIZON VIRGINIA INC.'S DANTE, HONAKER, AND LEBANON EXCHANGES AND TO VERIZON SOUTH INC.'S RICHLANDS EXCHANGE

PUC-2001-00202

Background

In response to a petition filed pursuant to § 56-484.2 of the Code of Virginia, Verizon Virginia Inc. ("Verizon Virginia") surveyed its Haysi Exchange customers for Extended Local Service ("ELS") into its Dante, Honaker, Lebanon, and Verizon South Inc.'s ("Verizon South") Richlands Exchanges. ELS is a flat rate two-way calling between two or more exchanges. The result of the poll is as follows:

Total Ballots Mailed	1,326	
Customers Responding	370	27.9%
Number of Responses		
Yes	214	57.8%
No	156	42.2%

The proposal for ELS from the Haysi Exchange to the Dante, Honaker, Lebanon and Richlands Exchanges met the polling requirements of § 56-484.2.

The Commission issued an Order Prescribing Notice of the proposed ELS route on April 19,2002. The Company was ordered to furnish notice as display advertising in newspapers of general circulation in the exchanges of Dante, Honaker, Lebanon, and Richlands and to provide proof of notice on or before May 24,2002. On May 17, 2002, Verizon filed proof of notice as required.

A poll of the customers in the Dante, Honaker. Lebanon and Richlands Exchanges was not required because the proposed rate increase for one-party residential customers does not exceed five percent **of** the existing one-party monthly residential flat rate.

Affected telephone customers were given until June 10, 2002, to file comments or requests for a hearing on the proposal. No comments or requests for a hearing were received.

Recommendation

The Staff recommends that the Commission approve ELS between Verizon Virginia's Haysi Exchange and its Dante, Honaker, Lebanon, and the Verizon South's Richlands Exchanges.

ARTICLE 4

Extension and Reduction of Telephone Service

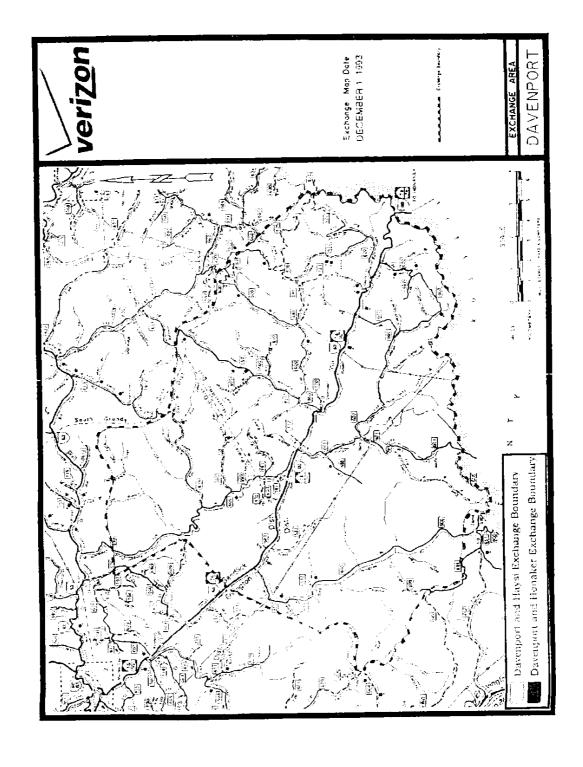
§ 56-484.2. Extension or reduction upon poll of certain subscribers.

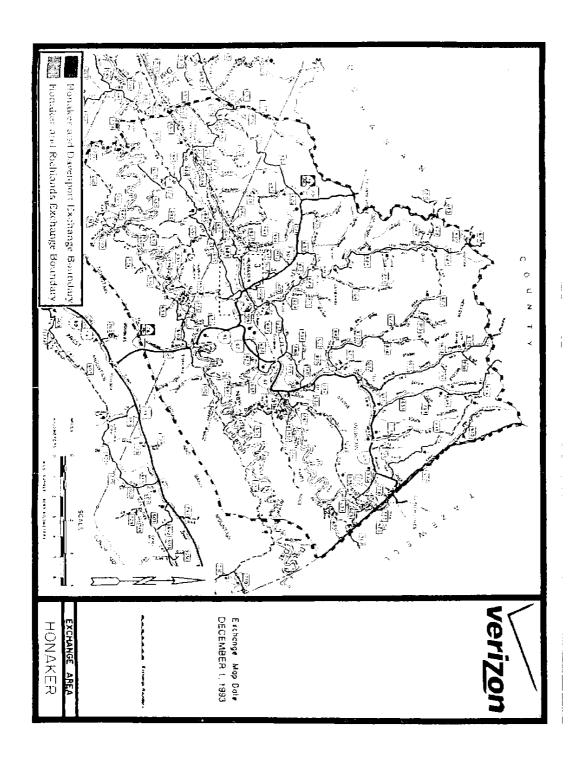
- A. Upon petition of five percent but in no case less than twenty-five of the subscribers in an established telephone exchange for an extension or reduction of their local service area to include or exclude a contiguous local exchange or exchanges, or upon resolution of the governing body of a county for a countywide local service area, the Commission shall estimate the approximate change in the monthly rate for service which will result **from** such extension or reduction. In the case of a governing body resolution for countywide calling. the Commission, prior to estimating the approximate rate change. shall determine which exchanges within the county have a community of interest calling percentage that is fifly percent or greater in at least one direction lo at least one other exchange within the county. The Commission shall then undertake to estimate the approximate change in the monthly rate for service that will result from such expanded local calling area for each such exchange. The **Commission** shall order the affected company or companies to poll those subscriben whose monthly rate for service would change if the proposed changes were adopted. However, polls shall not be required in the exchange or exchanges to which the petitioners desire an extension of local service if (i) any resulting rate increases in any twelve-month period do not, in the aggregate, exceed five percent of the existing monthly one-party residential flat rate service for the affected exchange to which the petitioners desire an extension of local service or (ii) any resulting rate increases in any twelvemonth period, in the aggregate, exceed five percent solely due to rate regrouping. No more than one petition for a poll from the same group of subscribers or resolution from the governing body of a county shall be considered by the Commission during any three-year period. For purposes of determining the exchanges that will be polled pursuant to this subsection, "community of interest calling percentage" means the percentage of customen in an exchange that make one or more calls per month to another exchange within the county.
- B. If a poll is required pursuant to subsection A and a majority of the subscribers are in favor of the proposed change, or if the Commission determines that a majority of subscribers voting are in favor of the proposed change, the Commission shall order the extension or reduction of their local service area. For the purposes of this section, the number of subscribers in an established telephone exchange shall be deemed to be the number of subscribers in an exchange as of January I of the calendar year when the petition is submitted to the Commission. Ballots polling subscribers on a proposed change in local service area shall be counted sixty days after being mailed and the results certified to the Commission.
- C. If a poll is not required pursuant to subsection A, the Commission shall require notice to customers in exchanges in which polls are not required and shall convene a hearing on the proposed extension or reduction of the local calling area if the lesser of five percent or 150 of the customers within such exchanges request a hearing. The Commission may convene a hearing under this subsection on its own motion without regard to the **number** of customers who request a hearing.
- D. Where the governing body of a county passes a resolution for a countywide local service area under subsection **A** and the poll for such service is defeated, the governing body shall reimburse the affected company or companies for the costs of the poll.
- E. The Commission shall give the highest priority to petitions or resolutions presented under subsection **A** that involve exchanges in rura) areas. (1976, c. 265; 1978, c. 232; 1985, c. 382; 1990, c. 339; 1993, c. 974; 1994, cc. 180, 347; 1995. c. 466.)

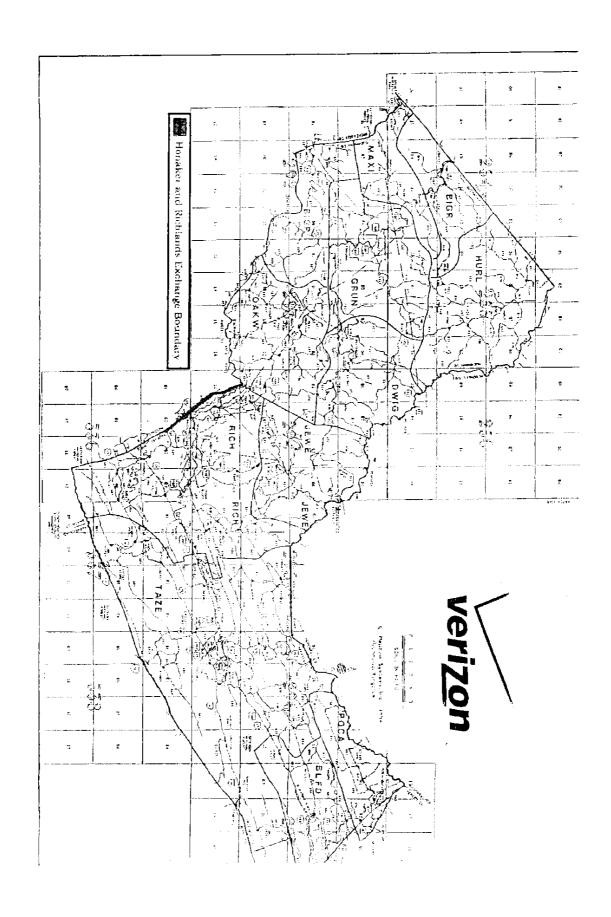
The 1994 amendments. The 1994 amendment by c. 180, deleted the former next-to-last sentence in subsection A, which provided: "If subscriber polls are not required, the Commission shall proceed pursuant to the provisions of § 56-237.2"; and added subsection C.

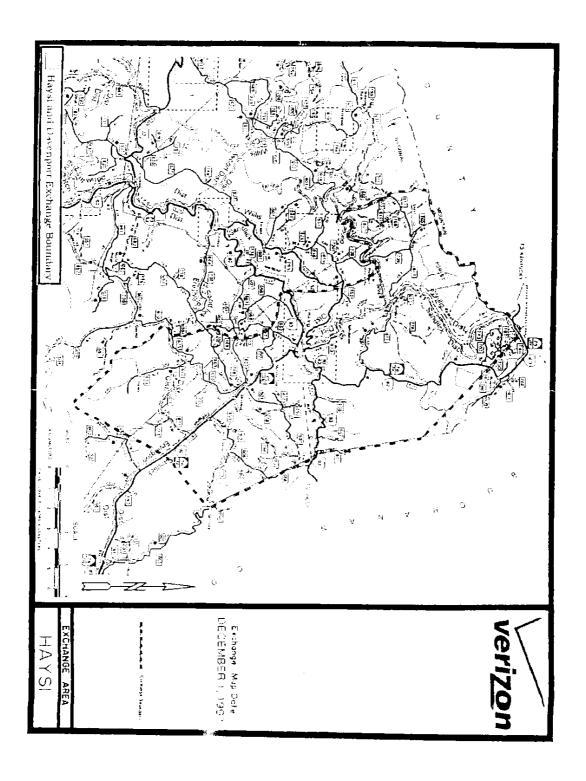
1994 amendment by c. **347**, in the **first** sentence of subsection B. deleted "that more than fifty percent of the subscribers have voted in the pool and" following "determines." and substituted "subscribers" for "those."

The 1995 amendment, in subsection A, inserted "or upon resolution of the governing body of a county for a countywide local service area" in the first sentence; added the present second and third sentences: inserted "or resolution from the governing body of a county" in the present sixth sentence, and added the seventh sentence; and added subsections D and E.

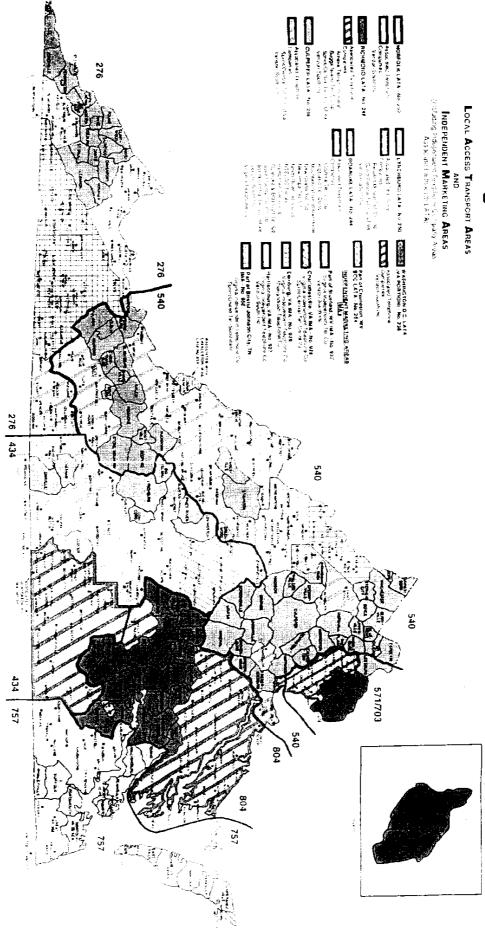








Verizon Virginia Inc-



Request for Limited Modification of LATA Boundaries to Provide ELCS Between Verizon South Inc.'s Jewell Ridge and Verizon Virginia Inc.'s Davenport Rate Exchanges

(1) Type of Service

Traditional Local Service, Non Optional ELCS

(2) <u>Direction of Service</u>

Two-way

(3) <u>Exchances Involved</u>

ELCS between Verizon South Inc.'s Jewell Ridge exchange located in the Bluefield. West Virginia Independent Market Area and Verizon Virginia Inc.'s Davenport exchange located in the Roanoke, Virginia LATA

(4) <u>Name of Camers</u>

Jewell Ridge - Venzon South Inc. Davenport - Verizon Virginia Inc.

(5) <u>State Commission Approval</u>

The Virginia State Corporation Commission issued a Final Order on October 4, 2002 approving ELCS for this route. A copy of the Final Order is attached.

(6) <u>Number of Network Access Lines</u>

Jewell Ridge Exchange - 617 Davenport Exchange - 1,307

(7) Usage Data

Messages per main station **per** month **Jewell** Ridge to Davenport • 0.07

Davenport to Jewell Ridge • 0.11

Percent of subscribers making calls

Jewell Ridge to Davenport - Data not available Davenport to Jewell Ridge - Data not available

(8) <u>Poll Results</u>

Jewell Ridge to Davenport

Sixty-five percent of those responding voted for ELCS.

Davenport to Jewell Ridge

Davenport *customers* **received** public **notice** by newspaper display advertisement. No comments or requests for public hearing were received.

(8) <u>Poll Results</u> (Continued)

ELCS Rate	Increase - Jewell Ridge	
	dential	
	Flat Rate	\$1.73
	Lifeline Service	\$1.73
	Exchange Only Service	\$1.56
	Economy Measured	\$0.86
Busi	ness	
	Flat Rate	54.10
	Flat Key Line Service	S4. I0
	Flat Rate Trunk	68.21
	Measured Single Line	\$2.88
	Measured Key Line	\$2.88
	Measured Trunk	\$5.74
ELCS Rate I	Increase - Davenport	
	dential	
	Flat Rate	\$ 0.07
	Message Rate	\$ 0.05
	Measured Rate	\$0.05
	Economy Rate	\$ 0.03
	Exchange Only Rate	\$ 0.06
Busin	ness	
	Flat Rate Line	\$ 0.25
	Message Rate Line	\$ 0.07
	Measured Rate Line	\$ 0.07
	Flat PBX Trunk	\$ 0.38
	Message PBX Trurk	\$ 0.07
	Measured PBX Turk	\$ 0.07

(9) <u>Community of Interest Statement</u>

Jewell Ridge is a small rural exchange located in Buchanan and Tazewell Counties in southwest Virginia with approximately 600 access lines. **The** Jewell Ridge exchange is part of the Bluefield, West Virginia Independent Market Area. The Davenport exchange is located *to* the south and west of Jewell Ridge in Buchanan County and serves approximately 1,300 customers. Jewell Ridge is located in the Roanoke, Virginia LATA. ELCS will expand local calling in Buchanan County and enhance local telecommunications between schools, teachers, students and parents in the Buchanan County portion of the Jewell Ridge exchange and the Davenport exchange which serves a portion of Buchanan County. Both the Jewell Ridge and Davenport exchanges are small and rural. Interest is of a community and personal nature between friends, family, community groups, churches and small businesses. ELCS will enhance these interests.

(10) Maps

Maps are attached for the Jewell Ridge, Big Prater and Davenport exchanges.

(11) Other Pertinent Information

Chronology

On February 22, 2001, Verizon South Inc.'s Jewell Ridge exchange subscribers petitioned the Virginia State Corporation Commission for Expanded Local Calling Service (ELCS) to Verizon Virginia Inc.'s Davenport exchange. The Commission directed Verizon South to determine the change in monthly rates to provide ELCS from Jewell Ridge to Davenport. Verizon South surveyed all of its Jewell Ridge subscribers regarding their willingness to pay the additional rates as outlined in (8) above. Sixty-five percent of the subscribers responding voted favorably.

Chronology (Continued)

The Commission then directed Verizon Virginia to determine rates for ELCS calling from Davenport to Jewell Ridge. The Davenport to Jewell Ridge **cost** study **was** accepted by the Commission. On June 25, 2002, the Commission issued an Order Prescribing Notice for the Davenport exchange. Public notice was provided to Davenport customers via newspaper display advertisement. The customer comment period was July 12, 2002 **through August** 23, 2002. No comments or requests for public hearing were received from Davenport customers.

Both surveys and their results met the requirements for implementation as outlined in Section 56-484.2 of the Virginia State Code.

On October **4,** 2002, the Virginia State Corporation Commission issued a Final Order approving Expanded Local Calling Service between Jewell Ridge and Davenport.

Virginia State Code. Section 56-484.2

This section of the Virginia State Code allows customers to petition the State Corporation Commission-for ELCS. A copy of this section is attached.

Attachments

Virginia State Corporation Commission Final Order in Case No. **PUC-200**1-00220 dated October 4, 2002.

Virginia State Corporation Commission Division of Communications Staff Report of Larry Kubrock dated September 4,2002

Maps of the Jewell Ridge, Oakwood and Davenport rate exchanges

Virginia LATA map

Virginia State Code, Section 56-484.2

STATE CORPORATION COMMISSION

AT RICHMOND, OCTOBER 4, 2002

PETITION Or'

r:__

VERIZON SOUTH INC.

CASE NO. PUC-2001-00220

For Extended Local Service from Verizon South Inc.'s Jewell Ridge Exchange to its Big Prater, Richlands, and Tazewell Exchanges and to Verizon Virginia Inc.'s Davenport, Honaker, and Lebanon Exchanges 1-4 P 1:32

FINAL ORDER

On February 22, 2001, telephone customers in Verizon South Inc.'s ("Verizon South") Jewell Ridge Exchange petitioned the State Corporation Commission ("Commission") for extended local service ("ELS") to Verizon South's Big Prater, Richlands, and Tazewell Exchanges and Verizon Virginia Inc.'s ("Verizon Virginia") Davenport, Honaker, and Lebanon Exchanges. On October 24, 2001, the Commission Staff accepted a cost study from Verizon South that was used to estimate the approximate change in monthly rates that would result from the extension of local calling.

¹ Although the Jewell Ridge Exchange Petitioners included Tazewell and Richlands in their petition, Jewell Ridge has existing ELS with the exchanges of Tazewell and Richlands. Those exchanges were not, therefore, included in the cost study, original ballot, or Order Prescribing Notice and will not, therefore, be addressed in this proceeding.

On February 1, 2002, pursusnt to an Order dated November 30, 2001, Verizon South filed the results of the balloting of customers in the Jewell Ridge Exchange regarding their willingness to pay higher rates for the extended local calling referenced herein. Those results favored approval of the ELS.

Pursuant to the provisions of § 56-484.2 of the Code of Virginia, a poll of the customers in the Big Prater, Davenport, Honaker, and Lebanon Exchanges was not required because the proposed rate increase for one-party residential customers did not exceed five percent of the existing one-party monthly residential flat rate.

By Order dated June 25, 2002, the Commission directed

Verizon South and Verizon Virginia to publish notice of the

proposed extension of local service to their customers in the

3ig Prater, Davenport, Honaker, and Lebanon Exchanges and permit

such customers to file comments and requests for hearing.

Proofs of notice were filed an July 18, 2002, as required by the

above-referenced Order. No comments or requests for hearing

were filed.

On September 4, 2002, the Staff filed its report in the above-captioned matter. In that report, the Staff recommended that the Commission approve ELS between Verizon South's Jewell Ridge and Big Preter Exchanges as well as between its Jewell

Ridge Exchange and Verizon Virginia's Davenport, Honaker, and Lebanon Exchanges.

NOW THE COMMISSION, having considered the matter and applicable law, is of the opinion and finds that the above-captioned petition should be approved as recommended by the Staff,

Accordingly, IT IS ORDERED THAT:

- (1) The proposed extension of local service from Verizon South's Jewell Ridge Exchange to its Big Prater Exchange and from the Jewell Ridge Exchange to Verizon Virginia's Davenport, Honaker, and Lebanon Exchanges shall be implemented.
- (2) Verizon South and Verizon Virginia shall file the tariff revisions necessary for the proposed extensions of local service.
- (3) Since there is nothing further to come before the Commission, this case is dismissed and removed from the Commission's docket of active cases.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: Lydia R. Pulley, Vice President, General Counsel, and Secretary, Verizon Virginia Inc., 600 East Main Street, Suite 1100, Richmond, Virginia 23219-2441; John R. Young, HCR 66, Box 382, Jewell Ridge, Virginia 24662; Charlie H Bond, Specialist - Regulatory, Verizon Virginia Inc., 600 East Main Street, Eleventh Floor, Richmond, Virginia 23219-2441;

C. Meade Browder, Jr., Senior Assistant Attorney General,
Division of Consumer Counsel, Office of Attorney General,
900 East Main Street, Second Floor, Richmond, Virginia 23219;
and to the Commission's Office of General Counsel and Division of Communications.

True Copy Teste:

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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION DIVISION OF COMMUNICATIONS

PUBLIC NOTICE REPORT OF LARRY J. KUBROCK

PUC-2001-00220

2001 SEP -5 A 1 26

PETITION OF VERIZON SOUTH INC., FOR EXTENDED SERVICE FROM VERIZON SOUTH INC.'S JEWELL RIDGE EXCHANGE TO ITS BIG PRATER, RICHLANDS, AND TAZEWELL EXCHANGES AND TO VERIZON VIRGINIA INC.'S DAVENPORT, HONAKER AND LEBANON EXCHANGES

September 4,2002

PETITION OF VERIZON SOUTH INC., FOR EXTENDED SERVICE FROM VERIZON SOUTH INC.'S JEWELL RIDGE EXCHANGE TO ITS BIG PRATER, RICHLANDS, AND TAZEWELL EXCHANGES AND TO VERIZON VIRGINIA INC.'S DAVENPORT, HONAKER AND LEBANON EXCHANGES

CASE NO. PUC-2001-00220

BACKGROUND

In response to a petition filed pursuant to § 56-484.2 of the Code of Virginia,

Verizon South Inc. ("Verizon South") surveyed its Jewell Ridge customers for Extended

Local Service ("ELS") into its Big Prater,' Richlands, and Tazewell exchanges and

Verizon Virginia Inc. ("Verizon Virginia") Davenport, Honaker, and Lebanon exchanges.

On February 1,2002, Verizon filed the results of the balloting, which favored the

extended calling plan. The ballot results were as follows:

Total Ballots Mailed	541
Customers Responding	156 (28.8%)
Number of Responses:	
Yes	102 (65.4%)
NO	54 (34.6%)

The proposal for ELS met the polling requirements of § 56-484.2.

A poll of the customers in the Big Prater, Davenport, Honaker, and Lebanon exchanges was not required because the proposed rate increase for one-party residential customers did not exceed five percent of the existing one-party monthly residential flat rate.

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¹ Although the Jewell Ridge Exchange petitioners included Tazewell and Richlands in their petition, Jewell Ridge has existing ELS with the exchanges of Tazewell and Richlands. Those exchanges were not, therefore, included in the cost study, original ballot, or Order Prescribing Notice.

The Commission issued **an** Order Prescribing Notice of the proposed ELS route on June 25,2002. The Company was ordered to furnish notice as display advertising in newspapers of general circulation in the Verizon South exchange of Big Prater and the Verizon Virginia exchanges of Davenport, Honaker and Lebanon and to provide proof of notice on or before August 2,2002. On July 18, 2002, Verizon filed proof of notice as required.

Affected telephone customers were given until **August** 23, 2002, to file comments or requests for a heaning on the proposal. No comments or requests for hearing were received.

RECOMMENDATION

The Staff recommends that the Commission approve ELS between the Jewell Ridge Exchange and the exchanges of Davenport, Honaker and Lebanon.

ARTICLE 4.

Extension and Reduction of Telephone Service

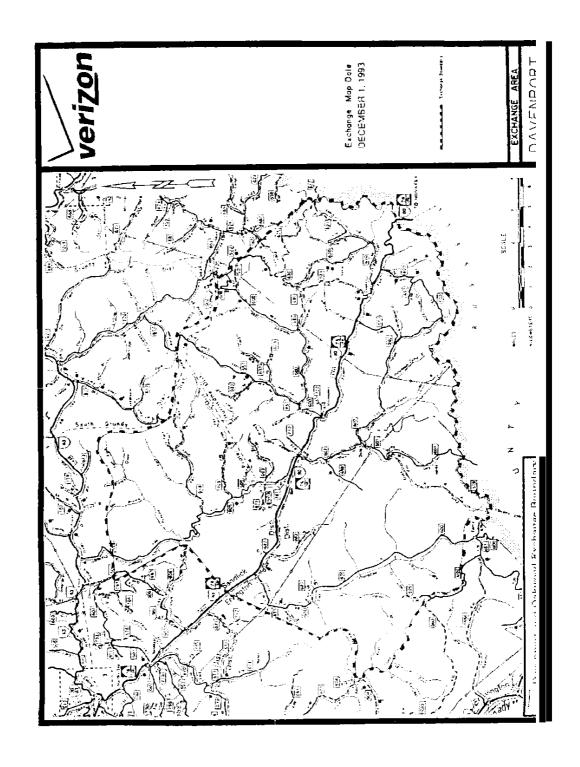
§ 56-484.2. Extension or reduction upon poll of certain subscribers.

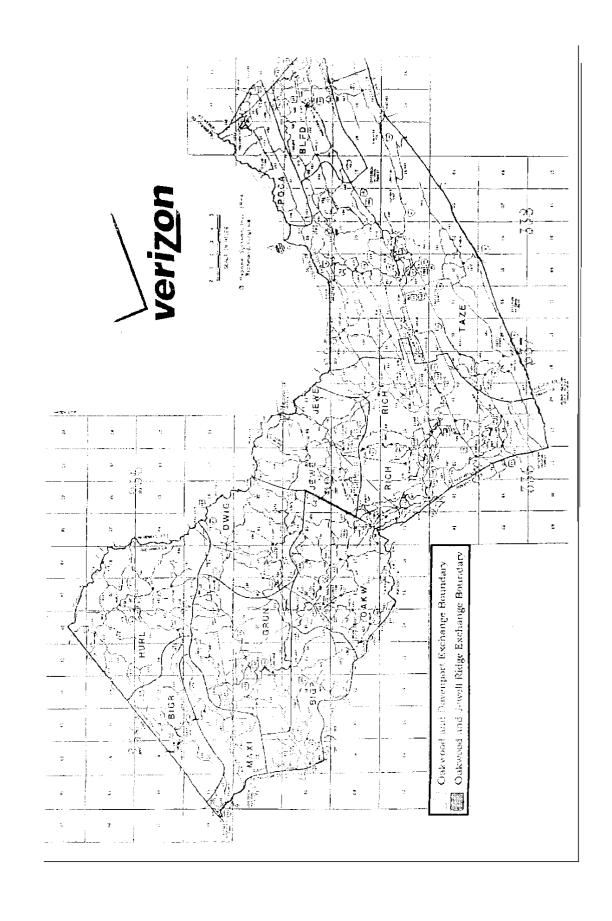
- A. Upon petition of five percent but in no case less than twenty-five of the subscribers in an established telephone exchange for an extension or reduction of their local service area to include or exclude a contiguous local exchange or exchanges, or upon resolution of the governing body of a county for a countywide local service area, the Commission shall estimate the approximate change in the monthly rate for service which will result from such extension or reduction. In the case of a governing body resolution for countywide calling the Commission, prior to estimating the approximate rate change, shall determine which exchanges within the county have a community of interest calling percentage that is fifty percent or greater in at least one direction to at least one other exchange within the county. The Commission shall then undertake to estimate the approximate change in the monthly rate for service that will result from such expanded local calling area for each such exchange. The Commission shall order the affected company or companies to poll those subscribers whose monthly rate for service would change if the proposed changes were adopted. However, polls shall not be required in the exchange or exchanges to which the petitioners desire an extension of local service if (i) any resulting rate increases in any twelve-month period do not, in the aggregate, exceed five percent of the existing monthly one-party residential flat rate service for the affected exchange to which the petitioners desire an extension of local service or (ii) any resulting rate increases in any twelve-month period, in the aggregate, exceed five percent solely due to rate regrouping. No more than one petition for a poll from the same group of subscribers or resolution from the governing body of a county shall be considered by the Commission during any three-year period. For purposes of determining the exchanges that will be polled pursuant to this subsection, "community of interest calling percentage" means the percentage of customers in an exchange that make one or more calls per month to another exchange within the county.
- B. If a poll is required pursuant to subsection **A** and a majority of the subscribers are in favor of the proposed change, or if the Commission determines that a majority of subscribers voting are in favor of the proposed change, the Commission shall order the extension or reduction of their local service area. For the purposes of this section, the number of subscribers in an established telephone exchange **shall** be deemed to be the number of subscribers in an exchange as of January 1 of the calendar year when the petition is submitted to the Commission. Ballots polling subscribers on a proposed change in local service area shall be counted sixty days after being mailed and the results certified to the Commission.
- C. If a poll is not required pursuant to subsection **A**, the Commission shall require notice to customers in exchanges in which polls are not required and shall convene a hearing on the proposed extension or reduction of the local calling area if the lesser of five percent or 150 of the customers within such exchanges request a hearing. The Commission may convene a hearing under this subsection on its own motion without regard to the number of customers who request a hearing.
- D. Where the governing body of a county passes a resolution for a countywide local service area under subsection **A** and the poll for such service is defeated, the governing body shall reimburse the affected company **c** companies for the costs of the poll.
- E. The Commission shall give the **highest** priority to petitions or resolutions presented under subsection **A** that involve exchanges in rural areas. (1976, c. 265; 1978, c. 232; 1985, c. **382**; 1990, c. **339**; 1993, c. 974; 1994, cc. 180, 347; 1995, c. 466.)

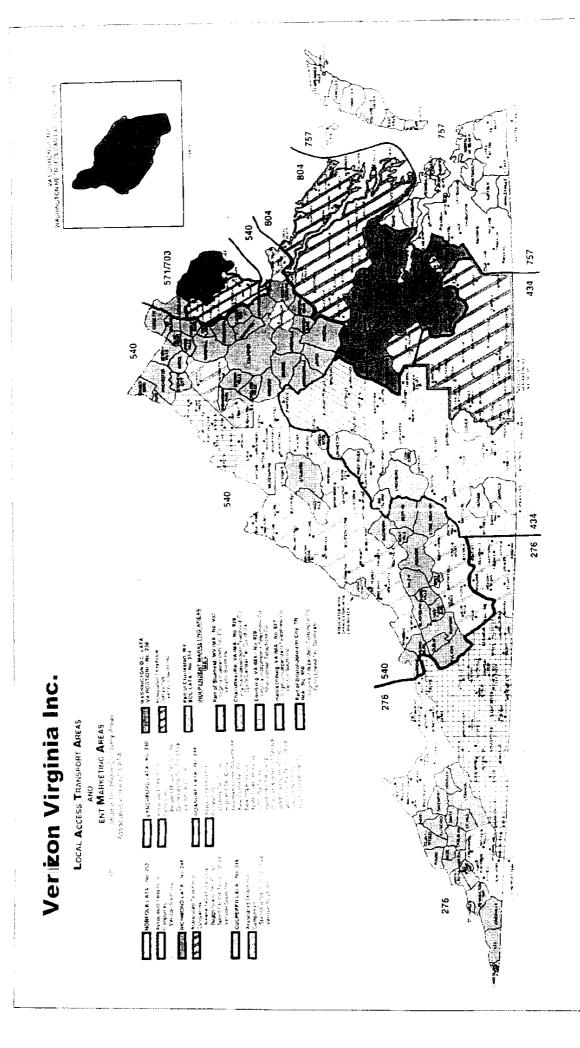
The **1994** amendments. — The 1994 amendment by c. 180, deleted the former next-to-last sentence in subsection **A**, which provided: "If subscriber polls are not required, the Commission shall proceed pursuant to the provisions of § 56-237.2"; and added subsection C.

1994 amendment by c. **347**, in the first sentence of subsection B, deleted "that more than fifty percent of *the* subscriben have voted in the pool **and**" following "determines," and substituted "subscriben" for "those."

The **1995** amendment, in subsection A, inserted "or upon resolution of the governing body of a county for a countywide local service area" in the first sentence; added the present second and third sentences; inserted "or resolution from the governing body of a county" in the present sixth sentence, and added the seventh sentence, and added subsections D and E.







E Bin Septem County 2001

Request for Limited Modification of LATA Boundaries to Provide ELCS Between Verizon South Inc.'s Jewell Ridee and Verizon Virginia Inc.'s Honaker Rate Exchances

(1) Type of Service

Traditional Local Service, Non Optional ELCS

(2) <u>Direction of Service</u>

Two-way

(3) Exchances Involved

ELCS between Verizon South Inc.'s Jewell Ridge exchange located in the Bluefield, West Virginia Independent Market *Area* and Verizon Virginia Inc.'s Honaker exchange located in **the** Roanoke, Virginia LATA

(4) Name of Carriers

Jewell Ridge - Verizon South Inc Honaker - Verizon Virginia Inc.

(5) State Commission Approval

The Virginia State Corporation Commission issued a Final Order on October 4, 2002 approving ELCS for this route. A copy of the Final Order is attached.

(6) Number of Network Access Lines

Jewell Ridge Exchange • 617 Honaker Exchange • 2,470

(7) Usage Data

Messages per main station per month

Jewell Ridge to Honaker • 1.20

Honaker to Jewell Ridge - 0.33

Percent of subscribers making calls

Jewell Ridge to Honaker - Data not available Honaker to Jewell Ridge - Data not available

(8) Poll Results

Jewell Ridge to Honaker

Sixty-five percent of those responding voted for ELCS.

Honaker to Jewell Ridge

Honaker customers **received** public notice by newspaper display advertisement. No comments or requests for public hearing were received.

(8) <u>Poll Results</u> (Continued)

ELCS Rate In	ncrease - Jewell Ridge	
110510	Flat Rate	\$1,73
	Lifeline Service	\$1.73
	Exchange Only Service	\$1.56
	Economy Measured	\$0.86
Dt.		
Busine		0.4 I O
-	I lut Ituto	\$4. I 0
	Flat Key Line Service	\$4.10
	Fiat Rate Trunk	\$8.21
	Measured Single Line	52.88
	Measured Key Line	\$2.88
	Measured Trunk	165.74
ELCS Rate In	crease • Honaker	
Reside	ential	
	Flat Rate	\$ 0.03
	Message Rate	\$ 0.02
	Measured Rate	\$ 0.02
	Economy Rate	\$0.01
	Exchange Only Rate	\$ 0.02
Busine	255	
Dusin	Fiat Rate Line	\$0.10
	Message Rate Line	\$ 0.03
	Measured Rate Line	\$ 0.03
	Flat PBX Trunk	\$ 0.15
		\$ 0.13
	Message PBX Trunk	
	Measured PBX Trunk	\$0.03

(9) Community of Interest Statement

Jewell Ridge is a small rural exchange located in Buchanan and Tazewell Counties in southwest Virginia with approximately 600 access lines. The Jewell Ridge exchange is part of the Bluefield, West Virginia Independent Market Area. The Honaker exchange is located to the south and west of Jewell Ridge in Russell County and serves approximately 2,500 customer; Jewell Ridge is located in the Roanoke, Virginia LATA. Interest is primarily from Jewell Ridge to Honaker. The Town of Honaker offer; retail/commercial/professional services to the area including Jewell Ridge. Basic medical services are also available in Honaker. Several coal mining operations and a mine safety and crushed stone plant offer employment to over three hundred people in the area including Jewell Ridge. ELCS will enhance communications between the Jewell Ridge and Honaker communities.

(10) Maps

Maps are attached for the Jewell Ridge, Richlands and Honaker exchanges.

(11) Other Pertinent Information

Chronology

On February 22, 2001, Verizon South Inc.'s Jewell Ridge exchange subscribers petitioned the Virginia State Corporation Commission for Expanded Local Calling Service (ELCS) to Verizon Virginia Inc.'s Honaker exchange. The Commission directed Verizon South to determine the change in monthly rates to provide ELCS from Jewell Ridge to Honaker. Verizon South surveyed all of its Jewell Ridge subscribers regarding their willingness to pay the additional rates as outlined in (8) above. Sixty-five percent of the subscribers responding voted favorably.

Chronology (Continued)

The Commission then directed Verizon Virginia to determine rates for ELCS calling from Honaker to Jewell Ridge. The Honaker to Jewell Ridge cost study was accepted by the Commission. On June 25, 2002, the Commission issued an Order Prescribing Notice for the Honaker exchange. Public notice was provided to Honaker customers via newspaper display advertisement. The customer comment period was July 12, 2002 through August 23, 2002. No comments or requests for public hearing were received from Honaker customers.

Both surveys and their **results** met the requirements for implementation as **outlined** in Section **56-484.2** of the Virginia State Code.

On October 4, 2002, the Virginia State Corporation Commission issued a Firal Order approving Expanded Local Calling Service between Jewell Ridge and Honaker.

Virginia State Code. Section 56-484.2

This section of the Virginia State Code allows customers to petition the State Corporation Commission for ELCS. A copy of this section is attached.

Attachments

Virginia State Corporation Commission Final Order in Case No. **PUC-2001-00220** dated October **4,2002**

Virginia State Corporation Commission Division of Communications Staff Report of Larry Kubrock dated September 4,2002

Maps of the Jewell Ridge, Richlands and Honaker rate exchanges

Virginia LATA map

Virginia State Code, Section 56-484.2